

PUBLIC NOTICE



FEDERAL COMMUNICATIONS COMMISSION

445 12th STREET, S.W.

WASHINGTON, D.C. 20554

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SBC/AMERITECH SERVICE QUALITY REPORTING REQUIREMENTS

CC Docket No. 98-141

ASD File No. 99-49

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DISPATCHED

On October 6, 1999, the Commission approved, subject to conditions, the transfer of control of certain licenses from Ameritech Corporation to SBC Communications (collectively referred to as "SBC/Ameritech").¹ Pursuant to the conditions, SBC/Ameritech must report, consistent with the NARUC Service Quality White Paper, data concerning the service quality provided to residential and business customers.² SBC/Ameritech must submit its service quality reports on a quarterly basis beginning no later than 90 days after the merger closing date, or January 6, 1999.³ To facilitate the public's assessment of SBC/Ameritech's reports and its quality of service, we have attached to this public notice the NARUC Service Quality White Paper in its entirety.

For further information contact Anthony Dale, Accounting Safeguards Division, Common Carrier Bureau at (202) 418-2260, or Whiting Thayer, Accounting Safeguards Division, Common Carrier Bureau at (202) 418-0822.

--Action by Chief, Accounting Safeguards Division--

¹ Applications of Ameritech Corp., Transferor, and SBC Communications, Inc., Transferee, For Consent to Transfer Control of Corporations Holding Commission Licenses and Lines Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 5, 22, 24, 25, 63, 90, 95, and 101 of the Commission's Rules, CC Docket 98-141, *Memorandum Opinion and Order*, FCC 99-279 (rel. Oct. 8, 1999) ("SBC/Ameritech Merger Order").

² See *SBC/Ameritech Merger Order* at Appendix C, para. 62; see also National Association of Regulatory Utility Commissioners, SERVICE QUALITY WHITE PAPER (rel. Nov. 1998) ("NARUC Service Quality White Paper"). SBC/Ameritech will also file, on a quarterly basis, Table I of the ARMIS 43-05 Service Quality Report, which depicts the service quality provided to interexchange carriers. *SBC/Ameritech Merger Order* at Appendix C, para. 63.

³ Service quality reporting for some SBC/Ameritech states begins no later than 180 days after merger closing date. See *SBC/Ameritech Merger Order* at Appendix C, para. 62.

ATTACHMENT: NARUC SERVICE QUALITY WHITE PAPER

Adopted in Convention November 11, 1998

NARUC Technology Policy Subgroup "Service Quality White Paper"

I. PREAMBLE

The Telecommunications Act of 1996 ("1996 Act") called for sweeping changes in the way telephone services are delivered, with the principal focus both on ensuring Universal Service and opening markets to competition. Furthermore, the 1996 Act promoted higher quality service to American telecommunications consumers.⁴ In this environment, regulators at both the state and federal levels will be taking a number of innovative actions to implement the Act's provisions.

This paper suggests that, by measuring and reporting telecommunications service quality, all stakeholders can assure themselves service quality is meeting customers' needs and identify areas where there may be weaknesses in need of corrective action. A highly-publicized service quality reporting program will provide consumers with the information necessary for making informed and rational choices. In addition, publicizing service quality performance will both draw attention to potential problem areas before impacting consumers and provide a strong incentive for carriers to improve quality year after year.⁵

The Technology Policy Subgroup suggests in this White Paper that telecommunications carriers provide Service Quality measurements to the FCC, and that a report of these performance measures be made available to the public. This will allow interested parties to assess current service quality levels among the states, and identify increasing or decreasing trends over time.

The measures being suggested for inclusion meet the following criteria:

- o They are considered by the states to be meaningful and significant indicators of service quality, and experience suggests that failures in these areas result in customer dissatisfaction and complaints.
- o They are relatively consistent, in both use and definition, among the states.
- o Most, if not all, telephone companies already capture this data for internal management purposes, and report it to state and/or federal regulators. (This is not intended to require that a company not already reporting for state or federal purposes would be required to do so for this report.)

⁴ As stated in the preamble, the purpose of the 1996 Act is "to promote competition and reduce regulation in order to secure lower prices and *higher quality services* for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies."

⁵ For more discussion about the role of information in competition, see the National Regulatory Research Institute's TELECOMMUNICATIONS SERVICE QUALITY (March 1996).

II. SERVICE QUALITY REPORTING IN GENERAL

In March 1998, NARUC urged the collection of service quality data from incumbent local exchange carriers ("ILECs") and competitive local exchange carriers ("CLECs").⁶ Because of the importance of monitoring the service quality trends in a timely manner, the Technology Policy Sub-Committee recommends that ILECs and CLECs collect service quality data on a monthly basis and, to minimize their reporting burden, report the monthly service quality data to Federal and state regulatory commissions on a quarterly basis.⁷ In addition, the underlying data used to develop such service quality reports should be retained for a period of two years and made available upon request to federal and state regulators.

III. PERFORMANCE DATA

The Technology Policy Sub-Committee's Service Quality Working Group has identified five major categories of performance data useful for measuring the quality of telecommunications service. A brief description accompanies each recommended category. Key definitions are provided in Section IV of this White Paper.

1. INSTALLATION

Reporting data about the installation of basic service allows commissions to evaluate the adequacy of the carrier's telephone plant facilities and workforce, and the carrier's success at meeting customer expectations.

a) Installation orders for basic service

Report the number of all installation orders for basic service occurring within the reporting period. Installation orders include new orders, transfer orders, and change orders. Disaggregate into business and residential classifications and, where feasible, rural and urban.

b) Installation orders for basic service completed within 'X' working days

Report the number of installation orders for basic service completed within 5 working days. The working group recognizes that other time periods, such as 3 days, may be appropriate in some states. Disaggregate into business and residential classifications and, where feasible, rural and urban.

c) Held Orders (30 days)

Report the number of requests or orders for basic service delayed over 30 calendar days. In some states, monitoring requests or orders for basic service delayed over 60 or 90 calendar days may be

⁶ See "Resolution Regarding A Federal Service Quality Reporting Program" (adopted by the NARUC Executive Committee on March 4, 1998).

⁷ Resellers should indicate the incumbent LEC that provides the underlying telecommunications service.

appropriate.

d) Missed Installation Commitments

Report (1) the number of missed installation commitments, and (2) the total installation commitments during the reporting period. Disaggregate into business and residential classifications and, where feasible, rural and urban.

2. MAINTENANCE & REPAIR

Reporting data about the maintenance and repair of basic service allows commissions to evaluate the adequacy of the carrier's telephone plant facilities and workforce, and the carrier's success at providing continual service for its customers.

a) Trouble Reports

Report the number of initial and repeat trouble reports occurring within the reporting period. Disaggregate into business and residential classifications and, where feasible, rural and urban.

Most telecommunications carriers have company procedures in which certain calls to the repair center are not counted as true "troubles." State commissions and U.S. Territories have encountered significant discrepancies in the exceptions found in audits of telecommunications carriers. One carrier may have a list of twenty or more reasons for excluding a trouble ticket from the report, while another utility may have only two or three acceptable exceptions. In order to facilitate benchmarking carrier performance and analysis of service quality data, the Technology Policy Subgroup suggests that telecommunications carriers simply pass along all trouble report data. By excluding the use of such exceptions, the Technology Policy Subgroup anticipates that the accuracy of the reported service quality data will increase, while the reporting burden on the carrier will decrease.

1. Initial Trouble Reports

- 1.01 Number of Out-of-Service Initial Trouble Reports
- 1.02 Total Initial Trouble Reports
- 1.03 Total Subsequent Initial Trouble Reports

2. Repeat Trouble Reports

- 2.01 Number of Out-of-Service Repeat Trouble Reports
- 2.02 Total Repeat Trouble Reports
- 2.03 Total Subsequent Repeat Trouble Reports

3. Access Lines

- 3.01 Total Number of Access Lines Served by the Reporting Carrier

b) Repair intervals

The carrier's repair interval provides a measure of the carrier's operating procedures and workforce levels. Expected performance levels may vary according to the state and the size of the reporting carrier. Disaggregate into business and residential classifications and, where feasible, rural and urban.

1. Number of Out-of-Service Troubles for more than 24 hours

Report the number of out-of-service troubles that remain out-of-service for 24 hours.

2. Average Repair Interval

Report the average duration, in hours, to repair all basic service troubles.

c) Missed Repair Commitments

The number of missed repair commitments measures the adequacy of the carrier's workforce and the efficiency of its maintenance and repair operations. Report (1) the number of missed repair commitments, and (2) the total number of repair commitments during the reporting period. Disaggregate into business and residential classifications and, where feasible, rural and urban.

3. NETWORK PERFORMANCE

The number and duration of switch outages and interoffice transmission facility outages indicate the carrier's success at providing continual access to the full capabilities and benefits of the network. Besides these categories, other indicators of network performance, such as trunk blockage, provide valuable information about the end-to-end performance of the public network. Disaggregate into business and residential classifications and, where feasible, rural and urban.

a) Switch and Line Concentrator Outages

Report the time, date, location, and duration of all switch and line concentrator outages occurring for two or more minutes in duration. Annotate the cause of the switch outages, if known. Report switch outages resulting from regularly-scheduled maintenance separately from unscheduled switch outages.

b) Interoffice Transmission Facility Outages

Report the time, date, location, and duration of all interoffice transmission facility outages occurring for 6 hours or more in duration, affecting 500 or more working channels for ten minutes or longer, or that totally isolate a switch or community. Annotate the cause of the facility outage, if known.

4. CUSTOMER PERCEPTION

Customer experience with a telecommunications carrier may not always be reflected in installation, maintenance, and network performance data. Monitoring customer complaints to State commissions and U.S. Territories and the results of telephone surveys provides two methods for assessing consumer perception of telecommunications service quality.

a) Customer Complaints

Report the number of customer contacts to the state commission that were referred to the carrier for action and/or investigated by the state commission. Disaggregate into business and residential classifications and, where feasible, rural and urban.

b) Customer Surveys

Report, by state, the percentage of satisfied and dissatisfied customers gathered from the company's internally conducted telephone satisfaction survey. Disclose sample size, confidence level, and margin of error. Disaggregate into business and residential classifications and, where feasible, rural and urban.

5. ANSWER TIME PERFORMANCE

Customers calling companies can obtain required service through both automated systems and live attendants. To capture the performance of all forms of systems, the working group recommends the following performance measures as a way to monitor answer time performance.⁸

Report the following measures for the business (including billing) and repair offices:

- a) Total calls attempted
- b) Total calls answered by recorded information
- c) Total calls live-answered by attendants
- d) Total calls abandoned or dropped
- e) Average waiting time for all calls answered live, as measured from the time the customer chooses to talk to a live operator.

IV. DEFINITIONS

Access Lines: An access line is a channel of varying size with an associated telephone number. Access lines to be counted: All public switched network lines, including residence, business, Centrex, ISDN, Payphone, and voice-grade PBX trunks.

Basic Service: The provision of access to: one party line service, local/toll calling, local usage, tone dialing, emergency services, assistance services, telecommunications relay services, directory listings, privacy protections and non-published service associated with the public switched network.

Held Order: Requests or orders for basic service delayed over 30 calendar days because of telephone utility plant or workforce problems.

Missed Installation Commitment: A missed installation commitment occurs when basic local exchange

⁸ NOTE: During its discussions, the working group found wide variation in the manner in which Answer Time Performance is measured.

service is not provided to the consumer's interface on or before the date and time of the commitment with the customer.

Missed Repair Commitment: A missed repair commitment occurs when a customer trouble is not repaired on or before the date and time of the commitment with the customer.

Out-of-Service: A classification of a trouble report where the customer indicates either: (1) an inability to complete incoming or outgoing calls; or (2) the presence of interference which causes connected calls to be incomprehensible.

Trouble: A trouble is an impairment of the telephone network, or a deviation from its design specifications.

Trouble Report: The record of when the repair office personnel receives notification of a trouble or perceived trouble by a subscriber, third party, or employee acting as a subscriber or when other employees receive notification of a trouble or perceived trouble by a subscriber, third party, or employee acting as a subscriber and refers the report to the repair office.

Initial Trouble Report: The first customer trouble report associated with a specific trouble on a subscriber line for which there is no pending trouble report.

Repeat Trouble Report: Customer trouble reports received within thirty days after the resolution of an initial trouble report on the same line.

Subsequent Trouble Report: Customer trouble report made after an initial or repeat trouble report, but before the carrier has resolved the initial or repeat trouble report.

Urban/Rural Areas: Metropolitan Statistical Areas and non-Metropolitan Statistical Areas are existing categories that can be used to facilitate comparisons between urban and rural areas. Metropolitan Statistical Areas ("MSAs") are designated by the Office of Management and Budget in a list released following each decennial census. As a general rule, an MSA includes at least one city with a minimum population of 50,000, or an urbanized area with a population of at least 50,000. All counties not part of an MSA are categorized as non-MSA areas. Carriers are already familiar with the MSA and non-MSA categories because the FCC's current reporting program uses MSA and non-MSA categories to depict rural and urban results. Besides the MSA and non-MSA categories, States may wish to use other methods for distinguishing between urban and rural areas, such as the Census Bureau definitions, including central city.